



PERSonnel UPDATES

The Newsletter for Authorized Agents & Personnel/Payroll Officers

Editor: Kristi Hass

July 2007 Volume 15, Issue 3

Inside this Issue

- 1 2006-2007 Annual Statements
- 2 PERS Offers Expanded Services for CIGNA Dental Plan
- 3 Annual Enrollment Season – 2008 Plan Year
- 4 NDPERS Individual Retirement Consultation
- 5 2007 PREP Schedule
- 6 Benefit Enrollment Requirements
- 7 EPO Only Employer Groups
- 8 NDPERS Smoking Cessation Program
- 9 2007 Deferred Compensation Plan Limits
- 10 Revised Materials
On-line Kits and Other Forms
- 11 Board Meeting Highlights

NDPERS
PO Box 1657
Bismarck ND 58502-1657
Telephone (701) 328-3900
Toll-free (800) 803-7377
www.nd.gov/ndpers

Events & Mailings

2006-2007 Annual Statements

The 2006-2007 Annual Statement of Account for NDPERS active and deferred members will be mailed the first week of August.

An insert sheet called "Reading Your Annual Statement" will accompany each statement. This sheet navigates the reader through the annual statement and will address most general questions.

If any of your employees do not receive an annual statement by the middle of September, please check with the PERS office in case the statement was returned due to an incorrect address. Returned annual statements are sent to the member's employer for distribution. Any name or address changes to employee records need to be sent to PERS in writing. A [Notice of Change SFN 10766](#) should be submitted to our office. Also, if an employee wants to update their beneficiary(ies), a [Designation of Beneficiary for the Group Retirement Plan SFN 2560](#) and/or [Life Insurance Designation of Beneficiary Change SFN 53855](#) should be completed.

If any of your employees misplace their annual statement, they may print a duplicate through [NDPERS Online Benefit Services](#).

PERS Offers Expanded Services For CIGNA Dental Plan

PERS staff now has access to CIGNA's enrollment system to see if an employee is enrolled in the dental plan and what dependents are covered on their policy. PERS member service staff will now be able to answer questions on the status of

an employee's enrollment in the dental plan.

PERS has also been given access to enter the dental enrollment/change forms, cancellations and terminations directly into CIGNA's system for **Central Payroll agencies only. If you are an agency on the State's Central Payroll system, all dental enrollment/change forms are to be sent to PERS instead of to CIGNA, effective immediately.** We are expecting that this change will result in more timely updates of an employee's enrollment status on CIGNA's system.

If you are not on the State's Central Payroll system, then you will continue to send the dental enrollment/change forms to CIGNA until further notice.

As a reminder, the PERS voluntary dental plan is available only to employees of State Agencies, the University System, District Health Units and the Garrison Conservancy District.

USE THIS FORM IF YOU ARE TRYING TO...

(See the Employer Guide for more details)

DENTAL INSURANCE FORMS:

<u>If You Are Trying To:</u>	<u>Use This Form</u>
------------------------------	----------------------

Enrollments & Waivers

Enroll a new employee	Voluntary Dental Enrollment/Change Form
Waiver participation	Voluntary Dental Enrollment/Change Form

Changes/Additions

Report a name, marital, or address change	Notice of Change SFN 10766 and Voluntary Dental Enrollment/Change Form
Report dependent loss of eligibility status	Notice of Status or Employment Change SFN 53611 and Voluntary Dental Enrollment/Change Form
Report an employee transferring to another PERS participating agency	Notice of Transfer Kit SFN 53728

Separation of Employment

Notify PERS of an employee's separation of employment	Notice of Status or Employment Change SFN 53611 and provide the appropriate separation of employment kit.
---	---

Annual Enrollment Season– 2008 Plan Year

This year's Annual Enrollment Season has been scheduled for Monday, October 22 through Friday, November 9th. Employees will be sent a postcard to their home mailing address on record informing them of their opportunity to enroll/change their benefits during the Annual Enrollment Season. They will be instructed to access the Annual Enrollment information packet that will be available on the NDPERS website October 22nd. The packet will contain information pertaining to the PERS flexcomp, health, life, dental, vision and long term care insurance plans along with links to access the enrollment forms from the PERS website.

NDPERS Individual Retirement Consultation

We are pleased to introduce a new service developed to provide individualized information regarding the NDPERS Retirement Plan. A NDPERS representative will come to your site allowing plan participants to receive one-on-one retirement

counseling without traveling to Bismarck. Consultations are private, not in a group setting, allowing participants to ask specific questions related to their situation. Beginning September 1, 2007 you can request a NDPERS Representative to come to your site to provide individual counseling for staff participating in the NDPERS Retirement Plan. The Representative will meet one-on-one with participating members, provide retirement benefit estimates, and answer questions regarding the member's retirement plan options.

The host site will need to provide a private setting with internet access for the meetings.

Please contact [Barbara Dammen, NDPERS, 800-803-7377](#), to request an on-site consultation date.

2007 Pre-Retirement Education Program (PREP) Schedule

NDPERS has scheduled the following PREP for 2007:

Bismarck in October

Additional information will be sent via email and this newsletter as it becomes available. We will also post information on our website as the scheduled date gets closer.

If you are interested in sponsoring your own Pre-Retirement Education Program, you must complete the [Meeting Request and Registration Form SFN 53176](#). You will also find the facilitator's handbook on the website. This handbook provides you with the details involved in sponsoring a PREP.

To secure a date, you must complete the [Meeting Request and Registration Form SFN 53176](#) and send it to NDPERS at PO Box 1657 Bismarck ND 58502-1657 or you may fax it to (701) 328-3920. A minimum 90 day lead-time is required. NDPERS only conducts one employer-sponsored seminar per month.

Important Updates

Benefit Enrollment Requirements

If your agency participates in one or more of the NDPERS benefits plans,

please review the following enrollment requirements:

Defined Benefit Retirement Plan:

It is mandatory that employees meeting the NDPERS eligibility requirements must be enrolled the first month of eligible employment and contributions must be paid accordingly. They may not be subjected to any waiting periods **even if hired on a probationary basis.**

Deferred Compensation:

Employees that meet the NDPERS eligibility requirements have the option to participate the first month of eligible employment. They may not be subjected to any waiting periods, **even if hired on a probationary basis.**

Group Health, Dental, & Vision Insurance:

Employees that meet the NDPERS eligibility requirements must be allowed the option to enroll or waive participation in the plan. They have 30 days from their date of employment to make this election. They may not be subjected to any waiting periods **even if hired on a probationary basis.**

Group Life Plan:

Employees that meet the NDPERS eligibility requirements must be enrolled for the \$1,300 basic life coverage within their first month of eligible employment. The employer pays the \$.28 monthly premium. Also, the employee must be allowed the option to enroll for additional supplemental life coverage within 30 days from their date of employment. They may not be subjected to any waiting periods **even if hired on a probationary basis.**

State of ND Flexcomp Plan:

Employees that meet the NDPERS eligibility requirements must be

allowed the option to enroll in the plan. Employees will be eligible to participate the first day of the month following their permanent full-time employment. However, the election period will be extended 60 days from a new employee's date of hire. An election made during the extended 60-day period will not be effective until the first contribution is received. Participation is limited to expenses incurred for the remainder of the plan year on December 31. They may not be subject to any waiting periods **even if hired on a probationary basis.**

EPO Only Employer Groups

A political subdivision participating in the NDPERS group health plan may elect to be an EPO only group if a participating network is within a 50 mile radius of the employer's location. For further details, refer the NDPERS website – [Employer Service, Program Administration](#).

NDPERS Smoking Cessation Program

If you are the designated wellness coordinator for a **state agency, district health unit or a university** you will continue to receive information regarding the NDPERS [Smoking Cessation Program](#). A Notice of Grant Award for the smoking cessation program was issued by the North Dakota Department of Health to Blue Cross Blue Shield of North Dakota for the period of July 1, 2007 through June 30, 2009. Therefore, NDPERS and BCBSND are asking for your help to promote the [Smoking Cessation Program](#) to your employees. We will continue to send you a supply of posters and ask that you display them in a location where employees are most likely to see them (i.e. break room, time clock, water fountain, general hallways, etc.) If you require more posters please contact Rebecca Fricke at (701) 328-3978.

Keep in mind that the NDPERS [Smoking Cessation Program](#) is only available to state agencies, district health units and the university system. Employees of county, city, school districts, etc. are being advised to utilize their local community smoking cessation programs.

NDPERS appreciates your help in getting the word out to our employees and their family members. We have a great program and we're hoping those that want to quit smoking know that the program is available to help them take the first step. Thank you.

"The first step towards getting somewhere is to decide that you are not going to stay where you are."

- John Pierpont Morgan

2007 Deferred Compensation Plan Limits

With the salary increase paid August 1, 2007, some 457 plan participants will want to increase their deferred compensation plan contributions. The maximum deferral limits for the NDPERS 457 Deferred Compensation Plan established by the Internal Revenue Code increased January 1, 2007 to an annual limit of \$15,500 for calendar year 2007.

For participants age 50 or older, the contribution limit remained at \$5,000. The age 50+ annual **maximum contribution is \$20,500** for 2007. Any employee who attains age 50 in 2007 is eligible to utilize the 50+ catch-up at any time during the calendar year.

For employees who may have only completed the Expedited 457 Deferred Comp Plan form SFN 54362 and who want to increase the contribution from \$25.00 per month to a higher amount, the Participant Agreement for Salary Reduction form SFN 3803 must be completed the month prior to the month the wages are earned. If an employee (whether on monthly or semi-monthly payroll) is increasing the amount of their 457 plan contribution and wants the deduction withheld from September wages, the SFN 3803 must be **signed in Section 6 in July** for wages earned in August paid the last pay period of August or paid September 1.

In Section 5, the **pay period beginning date** would be August 1; **do not enter the date wages are paid**. The Participant Agreement must be completed and returned to the PERS office by the fifteenth of any calendar month. Employees may

obtain forms on the PERS web site at www.nd.gov/ndpers.

SFN 3803 is also the form necessary for terminating employees who wish to defer the lump sum payments for annual leave and sick leave upon termination of employment. Any changes to the employee contribution amount for the 457 Deferred Compensation Plan require the completion of SFN 3803.

Revised Materials

NDPERS On-line Kits Have Been Revised

NDPERS currently has six [Kits](#) available on-line that employers should be distributing to their employees. The six NDPERS kits were developed to assist both employers and employees in disseminating information regarding the benefits administered by NDPERS.

The kits have been updated due to premium changes and administrative rule changes. The revised kits have posted to the NDPERS website.

Other NDPERS Forms Are Being Revised

We are currently doing an audit of our website and updating/revising the forms available on our website. When the audit is complete and the forms have been updated, we will send a memo indicating that the newest versions are available on our website. Please continue to use the current version of the forms on the website.

Board Meeting Highlights

Complete [meeting minutes](#) are available.

March 13, 2007

- Approved maintaining six current ERO providers for the 2007-2009 Biennium.

March 28, 2007

- Approved the CIGNA Performance Guarantee Agreement.
- Reviewed the 4th Quarter 2006 Investment Report.



April 19, 2007

- Approved the health rates for the 2007-2009 Biennium.

May 1, 2007

- Rejected the recommendation to eliminate the maintenance drug list.

May 17, 2007

- Adopted the changes in the Summary Plan Document (SPD) for the Group Health Plan.
- Approved the current renewal for Group Life Plan for July 1, 2008 and a request a subsequent 3 year renewal.
- Approved renewal of Disability Consulting Contract.

June 21, 2007

- Approved establishing a retiree committee to review the retiree health plan.
- Approved the continuation of the Smoking Cessation Program for the 2007-2009 Biennium.
- Accepted the Board Election results that were submitted. Mr. Mike Sandal is the newly elected active NDPERS Board member.

Look forward to receiving via email your next edition of the PERSonnel Updates @ October 15, 2007.

This newsletter is intended to provide general information and may not be considered to be a legal interpretation of law. Statements contained in this newsletter do not supersede the North Dakota Century Code or Administrative Code or restrict the authority granted to the Retirement Board. This information is subject both to changes made by the legislature and rules and regulations established by the Board of the North Dakota Public Employees Retirement System.